

March 17, 2010

Provisions would help small businesses grow and hire new workers

Washington, DC - The House Committee on Ways and Means today approved H.R. 4849, the Small Business and Infrastructure Jobs Tax Act, legislation to provide tax benefits to small businesses and extend effective financing measures to create jobs and improve America's cities and towns. The Act includes a provision first introduced by Rep. Linda Sánchez to bolster the development of low-income housing.

"It's great that the Small Business and Infrastructure Job Tax Act includes my provision for promoting low-income housing," said Rep. Linda Sánchez. "This program will help spur investments in affordable housing so that more families can afford a home."

The Low-Income Housing Tax Credit Exchange provision would allow investors in low-income housing credits to receive cash instead of a tax credit. This is important because many entities that invest in these credits don't currently have taxable income. Because of the recession, financial institutions that previously invested in these credits have no incentive to keep investing because they have no taxable income. This provision would promote the development of low-income housing by allowing investors to exchange otherwise unusable low-income housing tax credits for cash to be put toward the development of this housing.

"When we help our small businesses, we help our communities," continued Sánchez. "This Act is just one effective step we are taking to address the number one priority of American families, creating new job opportunities."

Sánchez also highlighted the effective use of Build America Bonds (BABs), a program many have deemed one of the economic recovery effort's biggest successes, to create jobs and fund important projects in nearly every state in the nation. A detailed description of BABs including a State-by-State listing of BABs issuances through February 1, 2010 can be found [here](#).

The House is expected to consider the legislation as early as next week.

Highlights of the Small Business and Infrastructure Jobs Tax Act include:

- " Low-Income Housing Tax Credit Exchange Program
- " Extension of successful Build America Bonds
- " 100 percent exclusion of small business capital gains
- " Small business penalty relief
- " Increase in deduction for start-up expenditures

Please click [here](#) for a comprehensive listing of resources related to H.R. 4849, including bill text, technical descriptions and revenue estimates from the Joint Committee on Taxation (JCT), as well as amendments offered during markup.

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